

Madam Chair and Representatives of the Committee, I appreciate the opportunity to be here today to testify on House Bill 5345.

My name is Lori Spotts. I have been a public school educator and coach for thirty years, the last twenty eight years in the Tecumseh Public School District. I am currently the President of the Tecumseh Education Association and have been a member of our school bargaining team for the past fifteen years.

Members of the committee, let me begin by stating that I have read House Bill 5345, and honestly and quite frankly, it scares the hell out of me. By hearing my story, I am hoping everyone will understand why.

I have always considered myself an active person, living a healthy lifestyle. Other than a couple minor sports related injuries years ago, I had rarely used my health care. At the age of forty, I started getting recommended yearly mammograms. All mammograms had been routine with no problems; that is until December 22, 2008. That day drastically changed my life. Unfortunately, my mammogram was not routine.

From December 22, 2008 and continuing through today, I have been fighting a very aggressive form of breast cancer. It has a fairly high risk for reoccurrence.

One can relate to the fear, as well as the physical and mental turmoil when experiencing a life altering disease or illness.

Within days I was in consultation with a doctor that specialized in oncology. (By the way, it was an oncologist of my choosing.) She had a strong reputation of treating cancer aggressively. In fact, it was just the two of us in her office when she told me of my diagnosis and specific treatment plan.

I was to endure numerous test and procedures including: mammograms, MRI's, bone scans, cat scans, biopsies, echocardiograms, x-rays, surgery, reconstructive surgery, thirteen rounds of chemotherapy, and thirty-five radiation treatments. It was overwhelming to say the least!

When I look back on that day in the doctor's office, the options for my surgery and follow-up treatment plan were carefully and professionally decided. My doctor and I made the best decisions for my recovery.

There was no place in that room for Government – no place for Government to dictate what my options may or may not be.

House Bill 5345 puts Government in that room.

House Bill 5345 also takes away the very tool we have to control health care costs at the local level.

That is bargaining – bargaining works!

As stated previously, I am a member of the Tecumseh teachers bargaining team. Additionally due to the uncertainty of the level of funding in the Foundation Allowance, we have yet to settle our contract for the 2009-2010 school year. In fact, the teacher's current proposal for health care will have the district paying less per member per month than they were paying in 2005.

Why is this possible? Specifically this happened in relationship to the following:

- We have negotiated different health care plans.
- We have negotiated deductibles.
- We have negotiated higher deductibles.
- We have negotiated higher prescription drug cards.

- We have negotiated members being responsible for a portion of the monthly premium.

And yes, we have given up wage increases to maintain our health care.

All of these changes were agreed to at the bargaining table because our members do understand the economic conditions in Michigan and the community in which we live.

I know there is the perception that teachers benefits are the “gold standard” and that these benefits are costing the districts more and more each year. However, that perception is not accurate.

We have continued to change health care plans, pay more and take home less in our pay checks.

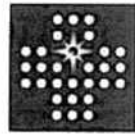
Maintaining our right to bargain health care has enabled us to do for ourselves what House Bill 5345 would like to mandate. The difference is that we are negotiating our benefits and the cost to each of our members.

We are not having those benefits dictated to us by a panel of appointees of State Government.

In closing let me again thank everyone for your time and attention. But, before I leave let me say that, unfortunately, there are many people around this State, individuals that live in each of your Districts that have faced or will be faced with the same situation that I find myself. It is a life changing experience that is difficult to comprehend unless one has been there. I am not certain what the future holds for me, but the health care I may have once taken for granted, is the health care that was there for me when I needed it most.

This health benefit was bargained at the local level and should be honored at the State level.

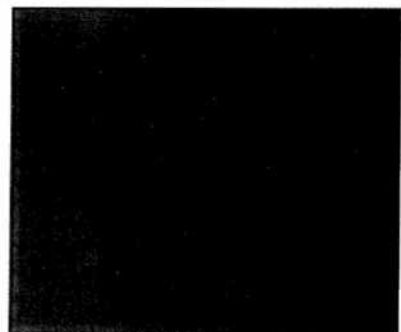
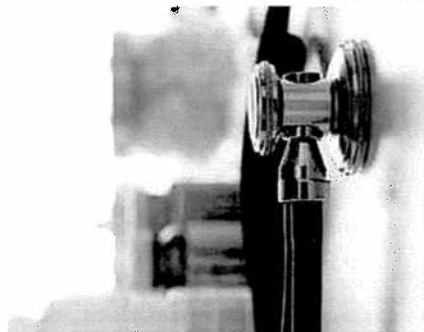
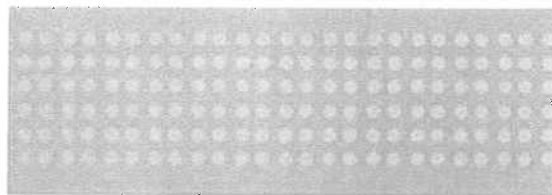
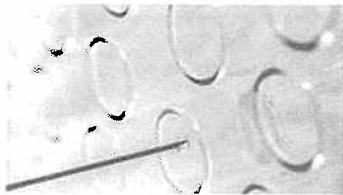
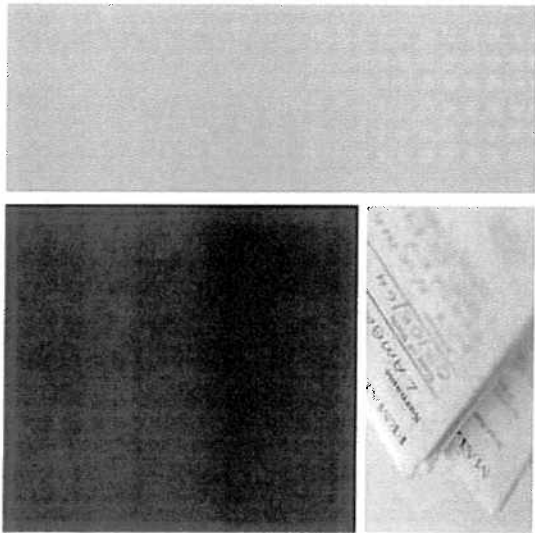
Thank you!



Best Doctors[®]

**Testimony Before House Committee on Public
Employee Health Care Reform
By: Evan Falchuk, President**

Best Doctors, Inc.
One Boston Place, 32nd Floor
Boston, MA 02108
October 29, 2009



**TESTIMONY BEFORE
HOUSE COMMITTEE ON PUBLIC EMPLOYEE HEALTH CARE REFORM**

October 29, 2009

By: Evan Falchuk

President

Best Doctors, Inc.

Madam Chair and Committee members.

Thank you very much for the opportunity to talk with you this afternoon.

My name is Evan Falchuk. I am the President and COO of Best Doctors, Inc. Best Doctors is a company that, since 1989, has provided a service which many people call "clinical advocacy." We sell it as a benefit to employers across America, and in two dozen other countries, covering more than 10 million people. Every year, we help thousands of people take control of their care and get the right diagnosis and treatment.

I'm here today to talk to you a little bit about why clinical advocacy is important. There are two reasons. First, every day there are thousands of people struggling, often on their own, with medical uncertainty—unsure whether they have right diagnosis or treatment. And second, because by helping these people get control of their healthcare you, as the people paying for this care, can save a lot of money.

So I want to talk to you first about what "clinical advocacy" is and why it is important.

I can illustrate its value most clearly by telling you what my company, Best Doctors does. Our role as a clinical advocate is based on the core principle that every person is entitled to be sure they have the right diagnosis, and the right treatment. The reason this is important, as I will talk about in a moment, is that huge numbers of people get the wrong diagnosis and treatment. According to scientific studies, as many as one in five people get the wrong diagnosis, and as many as half get the wrong treatment. Just this week, Thomson Reuters reported that this

“quality gap” is one of the biggest drivers of the \$800 billion wasted in this country every year on health care.¹ Clinical advocacy fixes this problem by helping people be sure they have the right care. This way we can make sure that health care dollars are not wasted and that people don’t suffer needlessly.

So how does it work? Best Doctors sells its service to employers, who give it, for free, to their employees as a benefit. While employers pay us for this service, the people to whom we dedicate our work are the employees and their doctors, and our focus is making sure that employees and their doctors are able to work together to serve the best interests of the patient. A major part of our work is to educate employees to be smart, engaged healthcare consumers—to ask questions and to make sure they are satisfied with the answers.

Here is an example of how our clinical advocacy service works. We helped a woman – I’m going to call her Ruth, but that’s not her real name. Ruth works for a large manufacturing company that has Best Doctors as a benefit. She was suffering from symptoms that her doctors decided had something to do with her thyroid. She was referred to a specialist, who ordered a biopsy of her thyroid to see if there was something wrong with it that would be causing her problems. The results came back “inconclusive,” no one was sure what was really wrong. So Ruth’s doctors told her to go home with some medications and come back in six months or a year for a follow-up.

At first, Ruth accepted this, but after a few weeks of treatment, she wasn’t feeling any better. She felt uncomfortable with the idea of waiting as long a year to see what was wrong. So since she had Best Doctors as a benefit from her job, she called and asked us for help. The specifics of Ruth’s experience were much like that of any of the thousands of other people we help.

When you call you are connected with one of our nurses, who takes a detailed history of your condition. We ask you to sign a release that authorizes us to collect your medical records. We

¹ Fox, “Healthcare system wastes up to \$800 billion a year”, Thomson Reuters, October 26, 2009

then deploy a team of people that collects your medical records. We then assign two internists to review all of this data to figure out what the important issues are. Then we select a specialist from our database of nationally-recognized experts who is especially suited to answer the very questions posed in your case. And then, finally, we deliver our response back to you and your doctor, and work with you to help you make the right decisions for yourself.

This process is what Ruth followed, and here's what happened. As part of our process, we retested her tissue samples and presented the case to an expert who is a renowned leader in the field of thyroid conditions. In his view, the test result was a sign that there was something very wrong, most likely thyroid cancer. In his view, the right course of action was not "wait and see", but to do surgery to remove the thyroid. As in most of our cases, when we present this kind of finding we show not only the opinion of the doctor, but the academic literature that supports the conclusions given.

We delivered this information back to Ruth and her doctor. After they reviewed it, they agreed that the right course of action was to go ahead with surgery, which she had a short time later. Her doctors, now in possession of her entire thyroid, conducted a thorough exam of it. They found that it was riddled with cancer. Had Ruth waited a year or even six months to figure this out, she faced the likelihood that this cancer would have spread to other parts of her body. She would have needed surgery to take out her thyroid, but would also have needed a difficult, prolonged treatment to try to save her life.

The work we do at Best Doctors, and the work of clinical advocacy, is all about helping patients and their doctors get these important decisions right.

And as you can see from a case like this one, the impact is financial, too. In the short run, Ruth's case probably cost more than waiting would have cost. But in the very few months that followed,

she avoided a great deal of suffering, and, importantly avoided major treatments that would have cost a great deal of money and profoundly affected her life.

Clinical advocacy is, in short, the surest way to have a real and immediate impact on the cost of health care. And what's more, you get this real and immediate impact on cost by helping people get higher quality care. According to our data, on average, every time you help someone get the right care, you save as much as \$20,000, and that's just in the immediate, acute cost of care. I'm not counting the long-term impact on medical costs, productivity and the quality of life. I mean to say that the right care is, in fact, the cheapest care.

If it sounds too good to be true, it shouldn't. There is old wisdom that has guided our way as Americans for hundreds of years that seems to have been forgotten in health care. Take Ruth's case. It reminds me of one of the most famous of these- "a stitch in time saves nine." All it means is, fix the problem now, or face a more difficult one later. Or how about another one, "measure twice, cut once." The idea that this kind of a second medical opinion leads to lower costs and better outcomes really ought to be second nature.

But whatever expression you want to use, the point should be clear. In all the complexity and actuarial analyses and everything else we've piled on top of health care in the last 30 years, we've lost sight of far too much of this basic American common sense.

Let me tell you what this means in real life. Every year, as many as 1 in every 100 people faces an important medical decision. According to data we've collected at Best Doctors, as many as one out of every five of these people is going to be, like Ruth, starting out with an incorrect diagnosis. Sometimes this is very serious, like in her case, sometimes less so. But in any event, these wrong diagnoses lead to a lot of unnecessary medical expense, and human suffering.

The same is true about treatments. As many as half of all patients have an incorrect treatment plan. There are many reasons for this, and often this is because of having a wrong diagnosis. But the result is the same – unnecessary suffering, and wasted medical dollars.

But you don't have to believe me.

There is a great deal of data from scientists, public health researchers, and the federal government that show what's going on in our health care system. Data from the federal government show that more than half of doctor visits involve time with the doctor of less than fifteen minutes. Most people know what it's like to feel rushed in these kinds of meetings, and doctors are the first ones to complain about what can happen when you force them to make complicated decisions quickly and on the basis of limited or fragmented information.

For example, most people are familiar with the seminal study from more than a decade ago in which the federal government found that more than half of people didn't get the recommended treatment plans.² More recent studies suggest that the situation may not have improved in the last ten years.³ Other studies around the question of misdiagnosis, published in the Archives of Internal Medicine,⁴ and in the Journal of the American College of Medicine,⁵ show that 15% or more of patients get the wrong diagnosis.

These studies consistently show that when you force doctors and patients to rush through the health care system that costly, avoidable misjudgments happen. I'm not talking about malpractice, I'm talking about costly misjudgments that can and should be avoided. As one more example, take the study released just on Monday by Thomson Reuters, which found that the U.S.

2 Linda T. Kohn, Janet M. Corrigan, and Molla S. Donaldson, Editors, *To Err Is Human: Building a Safer Health System*, Committee on Quality of Health Care in America, Institute of Medicine, 2000.

3 H T Stelfox, S Palmisani, C Scurlock, E J Orav, D W Bates. *The "To Err is Human" report and the patient safety literature*, **Quality and Safety in Health Care** 2006;15:174-178;

4 Graber, Franklin and Gordon, *Diagnostic Error in Internal Medicine*. **Arch Intern Med**/ Vol 165, July 11, 2005.

5 Graber and Berner, *Diagnostic Error: Is Overconfidence the Problem?*, **AMERICAN JOURNAL OF MEDICINE**/VOL 121, May 2008.

health care system wastes \$800 billion a year, with as much as a third of that going to the cost of incorrect medical care.

Now, it's not all bad news. Programs of clinical advocacy make it possible to address this problem without changing the entire health care system. It helps patients become better informed consumers of healthcare, and it means you can have a real and immediate impact on the quality - and cost - of health care. And many, many employers across the country are doing it already.

It's across numerous industries. Best Doctors today serves customers in high technology, like EMC, pharmaceuticals, like Wyeth, manufacturing, like Northrop Grumman, trucking like Schneider National, labor unions like International Union of Operating Engineers - Local 4, teachers groups like Southern California VEBA and the Allegheny County Schools Healthcare Consortium, and many, many others. These groups and others, and the millions of people who work there, are finding that by helping their members get the right diagnosis and treatment, they can have a real and immediate impact on the cost of care. And a real and immediate impact on the quality of the lives of the people they serve.

Once again, thank you for the opportunity to talk to you about clinical advocacy, and the ways that it can help you have the same impact on the quality and cost of care that these many other groups currently enjoy.

Thank you.